

**BYLAWS**

**OF**

**CALIFORNIA STORMWATER AUTHORITY**

*Adopted December 14, 2018*

*Amended March 15, 2019*

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## **ARTICLE 1 - CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws. Without limiting the generality of the above, any capitalized term not defined in these Bylaws will have the meaning ascribed to it in the Agreement.

- (a) "Agreement" shall mean the Joint Powers Agreement entered into by the Signatories, effective June 1, 2018.
- (b) "Director" shall mean the director appointed by a Member pursuant to these Bylaws.
- (c) "Alternate Director" shall mean another person from the same agency or entity as the Director appointed pursuant to these Bylaws to fulfill the duties of the Director if the Director is absent for a temporary period of time.
- (d) "Board of Directors" or "Board" shall mean the Board of Directors of California Stormwater Authority.
- (e) "Contracting Parties" shall have the meaning given in California Government Code §6502.
- (f) "Public Entity" shall have the meaning given in California Government Code §6500.
- (g) "Signatories" shall mean the Public Entities that are Contracting Parties to the Agreement and have agreed to be bound by the terms of these Bylaws.
- (h) "Executive Director" shall be the person appointed to handle the day-to-day affairs of the Authority, subject to oversight by the Authority's Board, and other duties and responsibilities as further described in Article 12 below.
- (i) "Administering Entity" shall be responsible for the general supervision and control of the activities of the Authority, subject to oversight by the Authority's Board, and as further described in Article 12 below.

## **ARTICLE 2 - NAME**

The name of this public entity is the "California Stormwater Authority".

## **ARTICLE 3 – MAILING ADDRESS**

The principal mailing address for the transaction of the business of the California Stormwater Authority is P.O. Box 5743, Ventura, California. The Board of Directors may change the principal mailing address from one location to another. Any change of this location will be noted by the Secretary in these Bylaws pursuant to an amendment hereof.

## ARTICLE 4 - SIGNATORIES AND PARTICIPANTS

### 4.1 Membership

Membership in the California Stormwater Authority is open to all public entities pursuant to the Agreement and these Bylaws.

### 4.2 Signatories

The original Signatories of the California Stormwater Authority under the Joint Powers Agreement (Agreement) are the Fresno Metropolitan Flood Control District, the Alameda County Flood Control and Water Conservation District, and the State Water Resources Control Board, whom are Members of the California Stormwater Authority as of the effective date of these Bylaws.

### 4.3 New Members

Pursuant to Section 15.5 below, in addition to the original Signatories, any other Public Entity may become a Member as provided in these Bylaws. Any Member that withdraws or is expelled pursuant to the Agreement or these Bylaws shall cease to be a Member.

## ARTICLE 5 - LIMITATION ON AUTHORITY

The California Stormwater Authority's exercise of the joint powers of the Signatories under the Agreement and these Bylaws is restricted to the extent required under California Government Code Section 6509.

The California Stormwater Authority shall comply with all applicable laws in the conduct of its affairs, including but not limited to the Joint Exercise of Powers Act (Gov. Code §6500 *et seq.*); Ralph M. Brown Act (Gov. Code § 54950, *et seq.*), and conflict of interest laws/regulations (such as Gov. Code § 1090, *et seq.* the requirements of the California Political Reform Act, Gov. Code § 87100, *et seq.*, and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification, 2 California Code of Regulations § 18700, *et seq.*), as amended.

The California Stormwater Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of its authority to accomplish the purpose as set forth herein including, but not limited to, any or all of the following:

- (a) To make and enter into contracts;
- (b) To prepare reports and other documents for the purpose of applying for and accepting grants, advances, and contributions;
- (c) To employ or contract for services through an adopted procurement policy directly or indirectly related to its purposes;
- (d) To receive contributions and donations of property, funds, services, and other forms of assistance from any source, including Member agencies;
- (e) To sue and be sued in its own name; and
- (f) To incur debts, liabilities, or obligations, subject to limitations herein set forth.

## **ARTICLE 6 - DEBTS AND LIABILITIES**

### **6.1 Debts, Liabilities and Obligations**

The debts, liabilities and obligations of the California Stormwater Authority will not be the debts, liabilities or obligations of any or all of the Signatories. However, nothing in these Bylaws or the Agreement:

- (a) Prevents a Signatory or Signatories from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of the California Stormwater Authority, including but not limited to, any bond or other debt instrument issued by the California Stormwater Authority; or
- (b) Impairs the ability of any Signatory to undertake the responsibility described in subsection (a) of this Article.

### **6.2 Use of Public Funds and Property**

The California Stormwater Authority shall be empowered to use for its purposes, public funds, property and other resources received from the Members and from other sources. Where applicable, the Authority's Board of Directors may permit one or more of the Parties to provide in-kind services, including the use of property.

Pursuant to Government Code section 6505.1, the California Stormwater Authority's Administering Entity, as provided in Article 12 below, shall be the person or entity designated to have charge of, handle, and have access to any property of the California Authority and is required to file an official bond in an amount to be fixed by the Parties.

### **6.3 Liability**

- a) The debts, liabilities, and obligations of the California Stormwater Authority shall be the debts, liabilities, or obligations of the California Stormwater Authority alone, and not any of the Parties of this Agreement.
- b) The California Stormwater Authority, and those persons, agencies and instrumentalities used by it to perform the functions authorized herein, whether by contract, employment or otherwise, shall be exclusively liable for any/all injuries, costs, claims, liabilities, damages of whatever kind to any person arising from or related to activities of the California Stormwater Authority.
- c) The California Stormwater Authority shall hold harmless and indemnify Parties, and each of them, including their officers and employees, from any claim or liability arising from acts or omissions of the California Stormwater Authority in pursuit of this Agreement, and in so doing, shall provide Parties, and each of them, with legal defense of any and all claims or liabilities and shall pay reasonable attorney's fees and costs incurred in providing such defense.
- d) Funds of the California Stormwater Authority may be used to defend, indemnify, and hold harmless the California Stormwater Authority, each Member, and any officers, agents, and employees for their actions taken within the scope of their duties while acting on behalf of the California Stormwater Authority.

## ARTICLE 7 - DIRECTORS

### 7.1 Directors and Alternates

- (a) Appointment of Directors and Alternate Directors by Member. The California Stormwater Authority shall have a governing Board made up of Directors and Alternative Directors. Each Signatory shall appoint one of its Members, employees, or other representatives to serve as a Director and, for each directorship, shall appoint an Alternate Director, any or all of whom may be elected officials. The designation of Directors and Alternate Directors shall be made in writing to the Executive Director.
- (b) Economic Disclosures. Each Director and Alternative Director shall complete within thirty (30) days of taking office, each year, and within thirty (30) days of leaving office a Statement of Economic Disclosure (FPPC Form 700) and make available such form, as directed, to the Administering Entity.

### 7.2 Voting

- (a) Voting Power of Director and Alternate Director. Each Director shall be entitled to cast one vote for any matter that requires approval of the Board. Alternate Directors may not vote in the capacity as Director except in the absence of the Director to whom such Alternate Director is designated the alternate.
- (b) Actions Requiring Approval of Directors. Except as set forth in paragraph 7.3(c), below, the approval of any action taken in furtherance of the Agreement or these Bylaws, or the implementation of any policy or program of the California Stormwater Authority, shall require a majority of the Board.

### 7.3 Vacancies

- (a) Vacancies. Any vacancy in any Director's position will be filled as provided in this Article 7.
- (b) Events Causing Vacancy.
  1. A vacancy on the Board exists on the occurrence of the following:
    - i. The death of any Director; or
    - ii. The removal or dismissal of such Director, or resignation of a Director from the position such Director held with the Member at the time such Director became a Director; or
    - iii. The declaration by resolution of the Board of a vacancy of the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony; or
    - iv. Written notice to the Secretary from the entity that appointed such Director stating that the designation of the Director or Alternate Director has been revoked, said revocation to be effective upon receipt, unless the notice specifies a later time.

2. Notwithstanding paragraph 7.3(b)(1), above, to the extent any person serves as a Director *ex officio* pursuant to the Agreement, a change in the person serving as Director by virtue of such capacity with the Member shall not constitute a vacancy within the meaning of these Bylaws.

- (c) Resignations. No Director appointed by a Signatory may resign if the California Stormwater Authority would then be without at least one Director (or Alternate Director acting as Director pursuant to these Bylaws) from each of at least two Signatories in charge of its affairs, unless the California Stormwater Authority is being dissolved pursuant to Article 15 of these Bylaws.
- (d) Reduction or Increase in Number of Directors. The authorized number of Directors may be reduced or increased to accommodate the deletion or addition of a Member.
- (e) Temporary Authority of Director. Until such time as a new Director is designated by the respective Member, the respective Alternate Director shall act as the Director for such Member.

#### **7.4 Call of Meetings**

The Chair or Vice-Chair of the Board may call a meeting of the Board and shall call a meeting of the Board if requested, in writing, by a majority of the Board.

#### **7.5 Quorum**

A simple majority of the Directors of the Board shall constitute a quorum. A majority of a quorum of the Board is empowered to act for the Board unless otherwise prescribed by law.

#### **7.6 Rules of Order**

The Board has adopted *Rules of Procedure for the Conduct of Business* to govern the conduct and procedure of Board meetings.

#### **7.7 Minutes**

The Board will keep or cause to be kept a written summary of action minutes of its proceedings.

#### **7.8 Fees and Compensation of Directors.**

Directors may receive such reimbursement of expenses as may be determined by the reimbursement and travel policy adopted by resolution of the Board. Directors shall not receive any additional compensation by the California Stormwater Authority for attending meetings or conducting business on behalf of the California Stormwater Authority.

#### **7.9 Delegation of Powers**

Except as otherwise prescribed in these Bylaws and the Agreement, the Board may delegate any of its powers, subject to the constraints of California law.

## ARTICLE 8 - OFFICERS

### 8.1 Officers

The officers of the California Stormwater Authority are the Chair, Vice-Chair, Secretary and Treasurer. All Directors are eligible to serve as an elected officer. Any number of offices may be held by the same person.

### 8.2 Election of Officers

The Board shall, at its first meeting and thereafter at its first meeting following January 1 of each succeeding year, elect a Chair and Vice-Chair from among the Directors. Nominations for the offices of Chair and Vice-Chair will be made and seconded by a Director. If more than two (2) names are nominated for any one office, balloting occurs until a nominee receives a majority of the votes cast; provided that, after the first ballot the nominee receiving the fewest votes will be dropped from the balloting. Each elected officer serves a term ending on December 31<sup>st</sup> of the year following the year of such appointment for a term not to exceed two years. An elected officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

### 8.3 Removal of Officers

An elected officer may be removed, with or without cause, by a two-thirds (2/3) vote of the Board at a regular or special meeting. The removal of an individual from any office shall not by itself affect the status of such individual as a Director or Alternate Director.

### 8.4 Vacancies

Any vacancy in any office because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board.

### 8.5 Resignation of Officers

In the absence of a contrary written agreement, any officer may resign at any time by giving written notice to the Executive Director or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice.

### 8.6 Responsibilities of Officers

- (a) Chair of the Board. The Chair of the Board presides at meetings of the Board and exercises and performs such other powers and duties as may be from time to time assigned to the Chair by the Board or prescribed by the Bylaws.
- (b) Vice-Chair of the Board. The Vice-Chair of the Board fulfills all the duties of the Chair in the absence of the Chair.
- (c) Secretary. The Secretary will (1) keep or cause to be kept, at the principal executive office or such other place as the Board may direct, a book of summary minutes of all meetings and actions of Directors and committees of the California Stormwater Authority, with the time and

place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings and the proceedings of such meetings; and (2) give, or cause to be given, notice of all meetings of the Board and committees of the California Stormwater Authority required by the Bylaws to be given. The Secretary has such other powers and may perform such other duties as may be prescribed by the Board.

- (d) Treasurer. The Board shall designate a qualified person to act as the Treasurer. The person holding the position of Treasurer of the California Stormwater Authority shall have charge of the depositing and custody of all funds held by the California Stormwater Authority. The Treasurer shall perform such other duties as may be imposed by provisions of applicable law, including those duties described in Government Code section 6505.5, and that may be prescribed by the Board or the Bylaws. In the event that the person designated by the Board is not a Director, the person serving as Treasurer may be reasonably compensated for performing such work. In the event that the person designated by the Board to perform such services is an employee of a Member, the governing body of the Member shall determine the reasonable charges to be made against the California Stormwater Authority for the services of Treasurer.
- (e) Officers may delegate certain duties and responsibilities to the Administering Entity described below in accordance with the Bylaws and/or Board resolutions, and in compliance with all applicable laws.

## **8.7 Fees and Compensation of Officers**

The officers may receive such reimbursement of expenses as may be determined by the reimbursement and travel policy adopted by resolution of the Board. Officers shall not receive any additional compensation by the California Stormwater Authority for attending meetings or conducting business on behalf of the California Stormwater Authority.

## **ARTICLE 9 - MEMBER INDEMNITY**

### **9.1 Insurance**

The California Stormwater Authority shall carry during the entire term of the Agreement, liability insurance coverage, naming the Members as additional insured parties, in such kind and amounts as the Board may from time to time determine to be appropriate. Such cost shall be incurred by the California Stormwater Authority.

### **9.2 Indemnity**

To the fullest extent allowed by law, the California Stormwater Authority shall indemnify, hold harmless, and provide a defense to each Member, its officers, agents, employees, and each Director and Alternate Director (each an "Indemnified Member") from and against all claims demands or liabilities, including legal costs, with respect to any civil action or proceeding brought against him or her on account of an act or omission in the scope his or her duties as an Indemnified Member, provided that the California Stormwater Authority need not provide a defense when the majority of Directors after reasonable investigation by vote determine that the Indemnified Member acted or failed to act because of actual fraud or corruption.

### **9.3 Privileges and Immunities**

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits that may apply to the activities of officers, agents or employees of public agencies when performing their respective functions within their respective territorial limits, shall apply to them to the same degree and extent while engaged as Parties of the California Stormwater Authority or otherwise as an officer, agent, Director, or other representative of the California Stormwater Authority or while engaged in the performance of any of their functions or duties extraterritorially under the provisions of this Agreement.

## **ARTICLE 10 – ADMISSION OR WITHDRAWAL OF PARTIES**

### **10.1 Conditions for Admission of a New Member**

Any public agency as defined in California Government Code section 6500 that is directly or indirectly authorized to implement measures that would regulate stormwater quality and quantity may seek to become a member of the California Stormwater Authority. No new Member shall be added to the California Stormwater Authority unless such prospective new Member:

- (a) Adopts a resolution approving entry into the California Stormwater Authority, designating the requisite number of Directors, acknowledging and agreeing to be bound by these Bylaws and the terms of the Joint Powers Agreement; and
- (b) Is approved for admission to the California Stormwater Authority by a vote of at least two-thirds (2/3) of the authorized Directors of the Board; and
- (c) Executes an amendment to the Joint Powers Agreement to become a party and signatory pursuant to Section 5(b) to that Agreement.

### **10.2 Conditions to Permitting Withdrawal of a Member**

A Member may withdraw provided that the following conditions are satisfied:

- (a) The withdrawing Member has provided a minimum of thirty (30) days' written notice to the California Stormwater Authority Board of its intent to withdraw.
- (b) The withdrawal of a Member shall not in any way discharge, impair, or modify the voluntarily assumed obligations of the withdrawn Member in existence as of the effective date of its withdrawal. A withdrawn Member shall not be entitled to the return of any Authority assets until the effective date of the termination of the Joint Powers Agreement.
- (c) Such withdrawal is effective on thirty (30) days' notice.
- (d) A notice of withdrawal may be revoked by the withdrawing party within thirty (30) days.

## **ARTICLE 11 – ADMINISTRATION FEES**

Fees and other administrative costs can be assessed and/or collected to finance the operation of the California Stormwater Authority with the parties' consent.

## **ARTICLE 12 – ADMINISTERING ENTITY**

The California Stormwater Quality Association (CASQA) is designated as the Administering Entity for the California Stormwater Authority.

The Administering Entity shall be responsible for the general supervision and control of the activities of the California Stormwater Authority, subject to oversight by the Board. The Administering Entity will also appoint an individual as Executive Director, acceptable to the California Stormwater Authority's Board, to handle the day-to-day affairs of the California Stormwater Authority. The California Stormwater Authority shall enter into a contract or Agreement with the Administering Entity that, among other things, memorializes the Administering Entity's responsibilities and requires the Administering Entity to covenant that the Administering Entity will comply with all relevant laws. Specifically, the Administering Entity shall covenant that it does not and shall not have any interest, direct or indirect, that would conflict in any manner with the performance of its responsibilities as Administering Entity. The Administering Entity shall have such other powers and duties as may be prescribed by the Board or the Bylaws. The Board may terminate the Administering Entity, or the individual appointed as Executive Director to handle the day-to-day affairs without cause with thirty (30) days' written notice. The Board may immediately relieve the Administering Entity, or the individual appointed as Executive Director to handle the day-to-day affairs, if, in the reasonable judgment of the Board, there is cause to do so. Subject to such supervisory powers as may be given by the Board of Directors to the Chair of the Board, the Executive Director generally supervises, directs, and controls the business and the employees of the California Stormwater Authority. The Executive Director has other powers and duties as may be prescribed by the Board or the Bylaws.

## **ARTICLE 13 - PURCHASE OF INSURANCE**

In conformance with the procedures and criteria developed by it, the Board may cause the California Stormwater Authority to purchase commercial insurance or reinsurance or terminate commercial insurance or reinsurance upon a majority vote.

## **ARTICLE 14 - EVENTS OF DEFAULT AND REMEDIES**

### **14.1 Events of Default Defined**

The following are "events of default" under the Agreement and these Bylaws, and the terms "events of default" and "default" means, whenever they are used in the Agreement and these Bylaws, with respect to a Member, any one or more of the following events:

- (a) Failure by such Member to observe and perform any covenant, condition or agreement on its part to be observed or performed under the Agreement, to comply with these Bylaws or to comply with any California Stormwater Authority program requirement; or
- (b) Action taken by the Member to withdraw from or repudiate membership in the California Stormwater Authority in violation of, or inconsistent with, the Agreement or these Bylaws; or
- (c) The failure of the Director or Alternative Director of such Member to attend at least fifty percent of the board meetings in a given twelve-month period.

## **14.2 Remedies on Default**

- (a) Whenever any event of default referred to in paragraph 14.1 of this Article has occurred and is continuing, it will be lawful for the California Stormwater Authority to exercise any and all remedies available pursuant to law or granted pursuant to the Agreement and these Bylaws.
- (b) The California Stormwater Authority shall provide the defaulting Member with written notice of the default by certified mail, return receipt requested.
- (c) Within 30 days of receipt of the default notice, the defaulting Member shall provide the Authority with its notice of intent to cure the default and continue with its membership or notice of its intent to withdraw from the Authority pursuant to Paragraph 5.(c) of the Joint Powers Agreement creating the California Stormwater Authority.

## **ARTICLE 15 - TERMINATION**

### **15.1 Time of Termination**

The California Stormwater Authority may be terminated upon the written consent of all of the Signatories as defined in Article 1 if the effective termination date and such written consents are delivered to the California Stormwater Authority and the Secretary at least sixty (60) days prior to the effective termination date provided that all principal of and interest on any and all bonds and other evidences of indebtedness issued by the California Stormwater Authority are paid in full.

### **15.2 Continuing Obligations**

After the termination date, the California Stormwater Authority will continue to be obligated to pay or cause to be paid any amounts due for winding up its affairs, including but not limited to any litigation costs and/or extraordinary costs associated with a financing transaction.

### **15.3 Distribution of Assets**

In the event any assets remain after winding up the affairs of the California Stormwater Authority, the Board shall either return any assets to the Member or other entity which provided such asset to California Stormwater Authority, or shall sell the assets, in accordance with California law, and distribute the funds according to Section 15.4 below.

### **15.4 Distribution of Funds**

In the event any surplus money remains on hand after winding up the affairs of the California Stormwater Authority, such sums will be returned to the Members in proportion to the contributions made.

### **15.5 Term, Termination, Addition or Withdrawal of Parties, Disposition of Assets**

- a) The California Stormwater Authority shall be formed and come into existence on the Effective Date and shall continue in existence unless terminated by the governing body of each of the

Parties then a Member to this Agreement or at any point in time at which there ceases to be at least two Members to this Agreement, at which point in time this Agreement shall be automatically terminated; provided however, that the California Stormwater Authority and this Agreement shall continue to exist for the purpose of disposing of liabilities, distributing funds, property and/or other assets (such funds, property and/or other assets, collectively, the "Authority Assets"), and all other functions necessary to conclude the business of the California Stormwater Authority.

- b) Any public agency as defined in California Government Code section 6500 that is directly or indirectly authorized to implement measures that would regulate stormwater quality and quantity may seek to become a Member to this Agreement upon authorization by its governing body, amendment to these Bylaws in accordance with Section 16 below, and execution of this Agreement by the public agency.
- c) Any Member may remove itself at any time from the California Stormwater Authority with no less than thirty (30) days' written notice to the Board. The withdrawal of a Member shall not in any way discharge, impair, or modify the voluntarily assumed obligations of the withdrawn Member in existence as of the effective date of its withdrawal. A withdrawn Member shall not be entitled to the return of any Authority Assets until the effective date of the termination of this Agreement.
- d) Upon termination of this Agreement, after the payment and fulfillment of all obligations of the California Stormwater Authority, any Authority Assets remaining shall be distributed to the Parties in proportion to the contribution made by the Members toward the funding of the California Stormwater Authority. The California Stormwater Authority shall cease to exist when the Authority Assets have been distributed according to the provisions contained in this Section, this Agreement generally, and the Joint Exercise of Powers Act (Gov. Code §6500 et seq.).

## **ARTICLE 16 - AMENDMENTS**

### **16.1 Amendment by Directors**

- (a) The Board may adopt, amend or repeal these Bylaws. Such power is subject to the following limitations: The Board may not delete or amend Bylaw provisions requiring compliance with the Joint Powers Agreement Creating the California Stormwater Authority dated June 1, 2018.

## **ARTICLE 17 - RECORDS AND REPORTS**

### **17.1 Maintenance of Records of the California Stormwater Authority**

The California Stormwater Authority will keep at the California Stormwater Authority principal office:

- (a) A copy of the Agreement and these Bylaws;
- (b) Adequate and correct books and records of account; and
- (c) Minutes in written form of the proceedings of its Board and committees of the Board.

## **17.2 Inspection Rights**

- (a) Any Member may inspect the Agreement, Bylaws, accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest in the business of the California Stormwater Authority.
- (b) Any inspection and copying under this Section may be made in person or by an agent or attorney or the entity entitled thereto, and the right of inspection includes the right to copy and make extracts. The California Stormwater Authority may charge reasonable fees associated with the provision of such copies or extracts.

## **17.3 Inspection by Directors**

Every Director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of the California Stormwater Authority. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents. The California Stormwater Authority may charge reasonable fees associated with the provision of such copies or extracts.

## **17.4 Accounting and Financial Reports**

- (a) The Board shall establish and maintain such funds and accounts as may be required by Generally Accepted Accounting Principles and by Federal and State statute and regulation, as applicable.
- (b) The California Stormwater Authority shall comply with the accounting and auditing requirements contained in California Government Code sections 6505-6505.6.
- (c) The Board will appoint one of its officers to serve as auditor of the California Stormwater Authority. The auditor shall comply with the duties and responsibilities of the office as set forth in subdivisions (a) to (d), inclusive, of California Government Code section 6505.5.
- (d) As soon as possible after the close of the California Stormwater Authority fiscal year, the Board will cause an annual report prepared by an independent auditor and sent to the governing body of each Member.
- (e) The report required by this Section will be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of an authorized officer of the California Stormwater Authority that such statements were prepared without audit from the books and records of the California Stormwater Authority.

## **17.5 Fiscal Year**

The term "Fiscal Year" shall mean from January 1 to and including the following December 31, except for the first Fiscal Year, which shall be the period from June 1 to December 31, 2018.

## **ARTICLE 18 – MISCELLANEOUS**

### **18.1 Acknowledgement by Parties**

Each of the Parties hereby acknowledges that the State Water Resources Control Board and the California regional water quality control boards serve in regulatory capacities over many of the Parties and subsequent parties to this Agreement, including (without limitation) as the permittees for the Municipal Separate Storm Sewer System Program. Nothing in this Agreement is intended to alter the nature or scope of those regulatory relationships in any manner whatsoever.

### **18.2 Limitation on Authority**

To the extent that the California Stormwater Authority provides input to any public agency in any rulemaking or permitting proceeding, that input will be limited exclusively to providing technical information and shall not include any advice or recommendations of a policy or legal nature.

### **18.3 Legal Counsel**

The Board shall retain independent legal counsel for the California Stormwater Authority.